BACKGROUND
THE PCA’S EFFECT ON THE FOODSERVICE INDUSTRY

- 2008-2009, Peanut Corporation of America shipped contaminated peanut products
- One of the largest ever food recalls in the United States
- Ingredient-driven outbreak
Simplified Peanut Product Distribution Pattern From Peanut Corporation of America (PCA) to Point of Sale

This chart illustrates some of the many paths a peanut product produced by the Peanut Corporation of America (PCA) might have taken before reaching the consumer. From the time a product left PCA it could pass through multiple points, sometimes being processed into new, widely distributed food products for consumers and pets. Actual distribution patterns may be more extensive and complex than what is illustrated here.

The length of the distribution chain, the number of finished products the peanut material is incorporated into, and the breadth of the distribution chain are all factors contributing to the length of time it takes to conduct a recall.

PCA shipped peanut products to hundreds of establishments, including numerous distributors and manufacturers. As of February 9, 2009, over 1,800 products have been recalled and more than 250 brands affected.

The circled numbers (1, 2, 3, etc.) represent products that were made using at least one ingredient originating from PCA’s peanut processing facility in Blakely, Georgia.
3,918 entries in the Reportable Food Registry
Sysco affected by recalls from suppliers that purchased from PCA
Sysco never purchased anything directly from PCA
BANKRUPTCY

- Due to bankruptcy, PCA was no longer able to communicate with customers regarding recalled products.
- FDA and Texas Department of State Health Services took responsibility of notifying companies.
- FDA initiated a searchable database of recalled products, updated as additional recalls are identified.
WHAT THE FDA KNEW
MID-JANUARY 2009

- Growing multistate outbreak
- *Salmonella Typhimurium* associated with King Nut peanut butter and Austin and Keebler brands of PB crackers
- PB was produced by PCA in Georgia
WHAT THE FDA DIDN’T KNOW
MID-JANUARY 2009

- Were peanut butter/peanut paste from PCA the only contaminated ingredients?
- How extensive was the contamination?
- What products should be recalled?
- What is the scope of the recall?
- Who received contaminated product?
WHAT THE FDA DIDN’T KNOW
CONTINUED

- How were the ingredients used?
- How many products were affected? Were these causing illnesses?
- What to tell consumers?

The FDA’s perspective

Jan. 2009
INDUSTRY EFFECTS
HOW THE OUTBREAK CHANGED FOODSERVICE

- Caused **confusion** among consumer about which products are safe to eat
- **Losses** to supply chain partners that can’t recover costs from PCA
- **Decreased sales** of all brands of peanut butter by nearly 25 percent resulting in $1 billion loss to the US peanut industry
- Affected **consumer trust** of the food industry
SHIFTING SITUATIONS
CHANGES TO THE RECALL

- Expansion to cover additional Facilities, Products and Time Spans
- Original recall involved PCA peanut butter and peanut paste from Blakely, GA. Facility since July 2008
- Expanded recall includes peanuts and peanut products shipped by Plainview, TX Facility since January 2007
GOALS OF A RECALL

- Protect Consumer
- Comply with Laws and Regulations
- Protect Company, Assets, Brand and Corporate Image
- Minimize Potential Liabilities
- Minimize Disruption to Sales
- Protect Relationships with Government & Regulatory Bodies
EFFECTIVE RECALL MANAGEMENT
WORK IN A TEAM

Multi-faceted recall team

- Management (Decision Making)
- Quality Assurance and Technical Advisory
- Media Communication
- Complaint Investigation
- Consumer Relations / Customer Service (Contacting Accounts)
- Agency Contact
- Legal Counsel
- IT/Systems Support
EFFECTIVE RECALL MANAGEMENT

KEY COMPONENTS

- Understand regulatory definitions and responsibility
- Incorporate with Crisis Management Program
- Supplier Management, Record and Document Management
- Lot Traceability
- Communications Capabilities
- IT Systems Support

- Review, Testing and Training: Excellent Preparedness and Response can make the difference!
SUCCESSFUL EXECUTION
DEVELOPING A RECALL PLAN

- Class and Depth
- Communications Plan
- Retrieval and Disposition Plan
- Effectiveness Check Plan
- Affect on Market
- Product Replenishment Plan
- Post Recall Assessment/Evaluation
TRACEABILITY

- Required by law
- Minimize Scope **AND** Quickly and Accurately Remove Products from Distribution
- Supply chain partners track differently, understand what they need to identify product
- IFDA and IFMA partnered to develop guidelines for “Essential Information for an Effective and Efficient Product Recall”
- Understand source of materials for your private label products
TRACEABILITY CONTINUED

- **Supplier Approval Program in place**
  - Product Testing Program
  - Standard Sanitation Operating Procedures
  - Environmental Testing Program
  - Ability to identify product that contain specific ingredients from specific supplier and/or regions
WHAT TO COMMUNICATE

- Communication of risk associated with recall product
- Where affected products shipped
- How to properly identify affected product
- What to do with affected product

In the case of **PCA related recalls** involving Sysco:

- Product destroyed **25**
- Product returned **5**
- Product “held” **4**

**What companies requested**
WHAT TO COMMUNICATE
CONTINUED

- Who to contact at your company
- Do you require written confirmation of destruction?
- Methods used to communicate:
  - To supply chain partners
  - To customers/consumers
- Communicate what products are in recall without implicating ones that are not
  - Especially as situation is evolving
- Being prepared to handle a high volume of calls
  - Consumer perspective: Clear, concise, honest
REGULATION LEGISLATION

**FDA**

- **1920**
- **1950**
- **1980**
- **2010**

- **1938** Federal Food Drug and Cosmetic Act
- **1967** Fair Packaging and Labeling Act
- **2011** Food Safety Modernization Act

**USDA/FSIS**

- **1900**
- **1930**
- **1960**
- **1990**

- **1906** Federal Meat Inspection Act
- **1957** Poultry Products Inspection Act
- **1970** Egg Products Inspection Act
WHAT IS BEING DONE TO PREVENT OUTBREAKS?

- FDA
  - Reportable Food Registry
  - FSMA
    - Responsibility for Prevention is placed on industry
    - Mandatory Recall Authority
    - Suspension of Registration
    - Administrative Detention
    - Traceability studies
OUTBREAK PREVENTION
CONTINUED

- FDA’s Incident Management Group
- Cooperation with State Departments of Health
- PulseNet
- CDC’s OutbreakNet
- USDA
  - Recent announcement regarding E. Coli
- Provide information and tools to help successfully manage a food recall
RESOURCES

FDA - 21 CFR Part 7

ORA/OE/DCMO – Guidance for Industry: Product Recalls, Including Removals and Corrections:
http://www.fda.gov/ora/compliance_ref/recalls/ggp_recall.htm

Reportable Food Registry
http://www.fda.gov/food/foodsafety/foodsafetyprograms/rfr/default.htm

Food Safety Modernization Act
http://www.fda.gov/ Food/ FoodSafety/ fsma/default.htm

FSIS Directive 8080.1 (rev. 5)